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The State of Marketing 2011: Unica's Annual Survey of Marketers



MARKETERS SEE THE OPPORTUNITIES, YET ARE LESS CERTAIN ABOUT HOW TO SEIZE THEM

The opportunity to understand what marketers are thinking and doing during a period of unprecedented change and increasing expectations has made Unica's Annual Survey of Marketers a must read. Last year, Unica's survey revealed the following key concerns among marketers: an overall shift to online marketing, a greater emphasis on website personalization, and a general dissatisfaction with IT support for marketing's technology needs. This year, the survey found continued interest in many of the same issues, plus a more urgent need to turn data into action, increasing recognition of mobile's marketing power, and a desire for more integrated technology solutions.

Our current report is based on a survey of almost 300 online and direct marketers who:

- Represent a comprehensive mix of companies by location, revenues and industry. All responding companies report more than \$100M in annual revenue; the largest block (54%) reports \$1B or more per annum.
- Assume responsibilities across the complete spectrum of marketing roles; over one third (35%) are marketing executives.
- Play some role in the purchase of technology, whether it's to authorize, recommend, review, or evaluate technology needs and options.

To monitor trends, many of the survey questions have been carried over from last year. But in response to new developments – such as the maturing of social media and mobile marketing, and the increased recognition of the need for interactive marketing – the survey posed nine new questions, opening fresh areas of insight.

Snapshot of key findings:

- **Marketers Seem Ready to Bridge the Gap Between Analysis and Action** – This year, “measurement, analysis and learning” overtook “IT support of marketing needs” as the #1 marketing bottleneck. And after years of analysis paralysis, respondents identified “turning data-into-action” as their #1 organizational issue.
- **Marketers Believe Technology Can Ease Their Pain** – Over half also cited technology as the key to productivity. Without question, marketers see technology as vital to resolving the challenges of meaningful measurement and analysis and choosing the next best course of action – more so than additional staff or agency support.
- **Demand for an Integrated Marketing Suite Continues to Grow** – As marketing's need for technology grows and technology adoption matures, there is a corresponding concern with integration – 87% of marketers express interest in a marketing suite that is better integrated.
- **Marketers Believe in Interactive Marketing, but Have More Progress to Make Toward this Vision** – While responses suggest that interest in achieving truly integrated cross-channel dialogs with customers is high, nearly half of survey participants report that they are only partially achieving that goal. The key barrier? Organizational structure and internal processes. Regardless, 57% report the adoption of inbound marketing methods (personalized targeting/messaging) in their web channels.
- **Web Data Is Highly Prized, but Putting It to Work in Campaign Decisioning Still Lags**– Here's a paradox: 92% of marketers appreciate the value and importance of web data, yet half or less apply that data to customer analyses and campaigns. And of those that do, less than a third believe their efforts are very effective.
- **Online Marketing Is Pervasive but Fragmented** – Email is pervasive, but nearly three-quarters of respondents complain that their email data is either not integrated with other customer data, or that the integration is mostly a manual effort. Paid search remains immature, with only a little more than a quarter adopting any software to manage keyword bids. Nearly a quarter of those who have adopted a solution simply rely on free tools. Indeed, respondents indicated that search isn't very well integrated with overall marketing efforts.
- **Social Media Marketing Experiences Growing Pains** – Once again, social media remains the reigning champion among emerging marketing channels, leading the way with 53% current usage. But marketers' enthusiasm is burning less brightly than last year, suggesting that we have passed the peak of inflated expectations and are focused on finding the value that social channels can yield.
- **Mobile Marketing Continues to Rise** – Consumers are rapidly adopting connected mobile devices and smart marketers are aggressively following their audience. 43% of respondents say they currently use the tactic, with another 23% planning to do so within a year. Yet, as with other tactics, today's efforts are largely not well integrated with other marketing efforts.

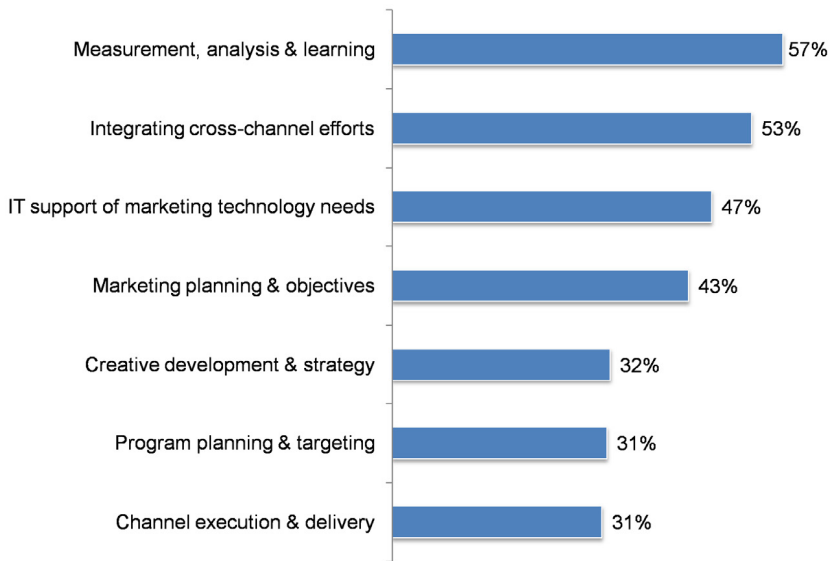
MARKETERS' CHALLENGES AND VIEWS TOWARD TECHNOLOGY

Measurement, Analysis & Learning Overtakes IT as the Most Pervasive Bottleneck

This year, "measurement analysis & learning" moved into the lead spot as the biggest bottleneck marketers face within their organizations, holding a solid ten percentage-point advantage over 2010's number one, "IT support of marketing technology needs." Also noteworthy is the sharper distinction of priorities this year, with a range of 57% at the top to 31% (for "channel execution & delivery") at the bottom. Last year, the numbers were more closely clustered together, but clearly in 2011, the demarcations are more pronounced, suggesting that marketers have sharper clarity about their priorities.

Figure: Ranking of Top 3 Bottlenecks in the Marketing Process

Q. Of the following marketing processes, rank the three that represent the biggest bottlenecks within your marketing organization.



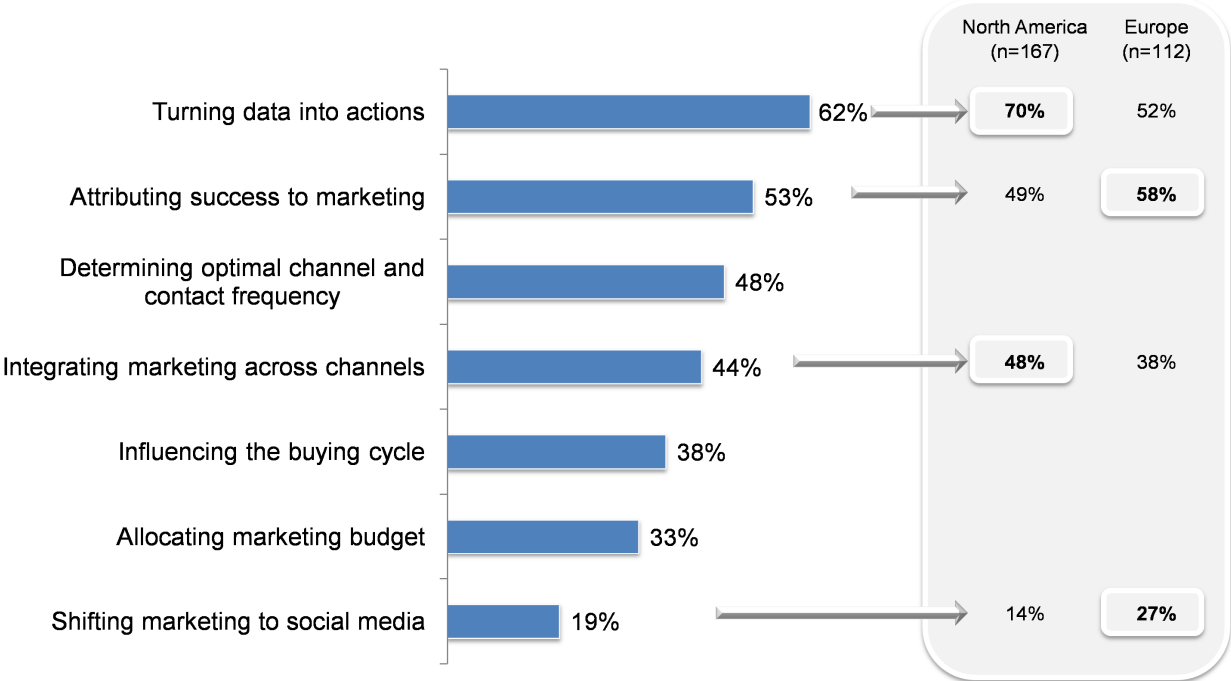
Base: Total Sample (279 Respondents)

Top Issues: Turning Data-Into-Action, Attribution and Contact Management

When asking marketers about their key issues, this year’s survey changed one of the answer options on the questionnaire from “measuring results and increasing effectiveness” to “attributing success to marketing”. While a subtle yet distinctive shift in perspective, the option struck a nerve, and attribution took one of the top spots. At the same time, “turning data into action” leapt into the lead, but was clearly a more urgent cause for North American marketers than European. “Determining optimal channel and contact frequency” – an issue that ranked fairly low in the previous survey was also in the top. Interestingly, despite the buzz and media hype, social media pulled in dead last with only 19%.

Figure: Ranking of Top 3 Important Issues to Marketers

Q. Of the following issues, rank the three most important for your marketing organization to address.



Base: Total Sample (279 Respondents)

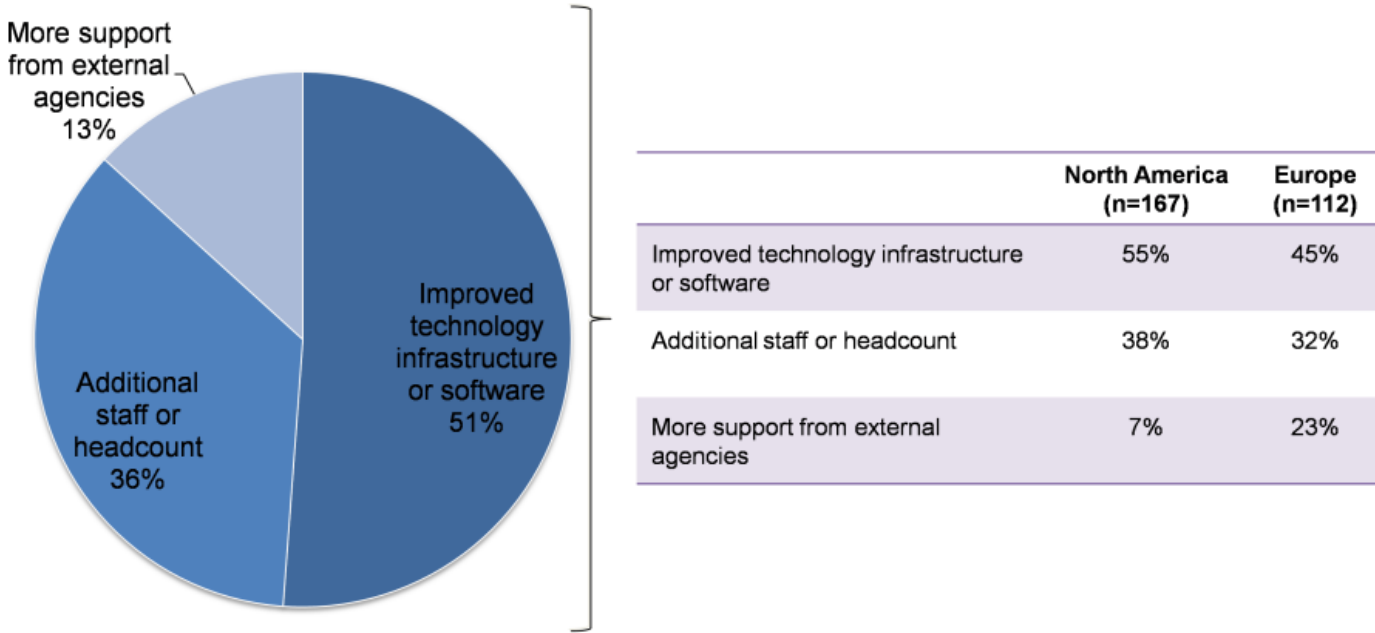
Marketers Believe Technology Is the Best Way to Ease Their Pain

As they say, recognizing a problem is the first step toward solving it. Marketers don't just have issues and bottlenecks; they are opinionated about how to solve them. When asked about which of three choices could most improve marketing productivity – technology, staff or external support – technology was top worldwide. Given the current global penchant for outsourcing and the need for new skill development in many marketing organizations, it should come as no surprise that technology is viewed as the best hope for further improving productivity.

Faith in technology is stronger, however, in North America than in Europe, where there is greater interest in external agency support.

Figure: Increasing Marketing Productivity

Q. Which of the following do you feel could most increase your marketing organization's productivity?



Base: Total Sample (279 Respondents)

ADOPTION OF MARKETING TECHNOLOGY

Looking for Help, Marketers Adopt a Wide Variety of Technologies

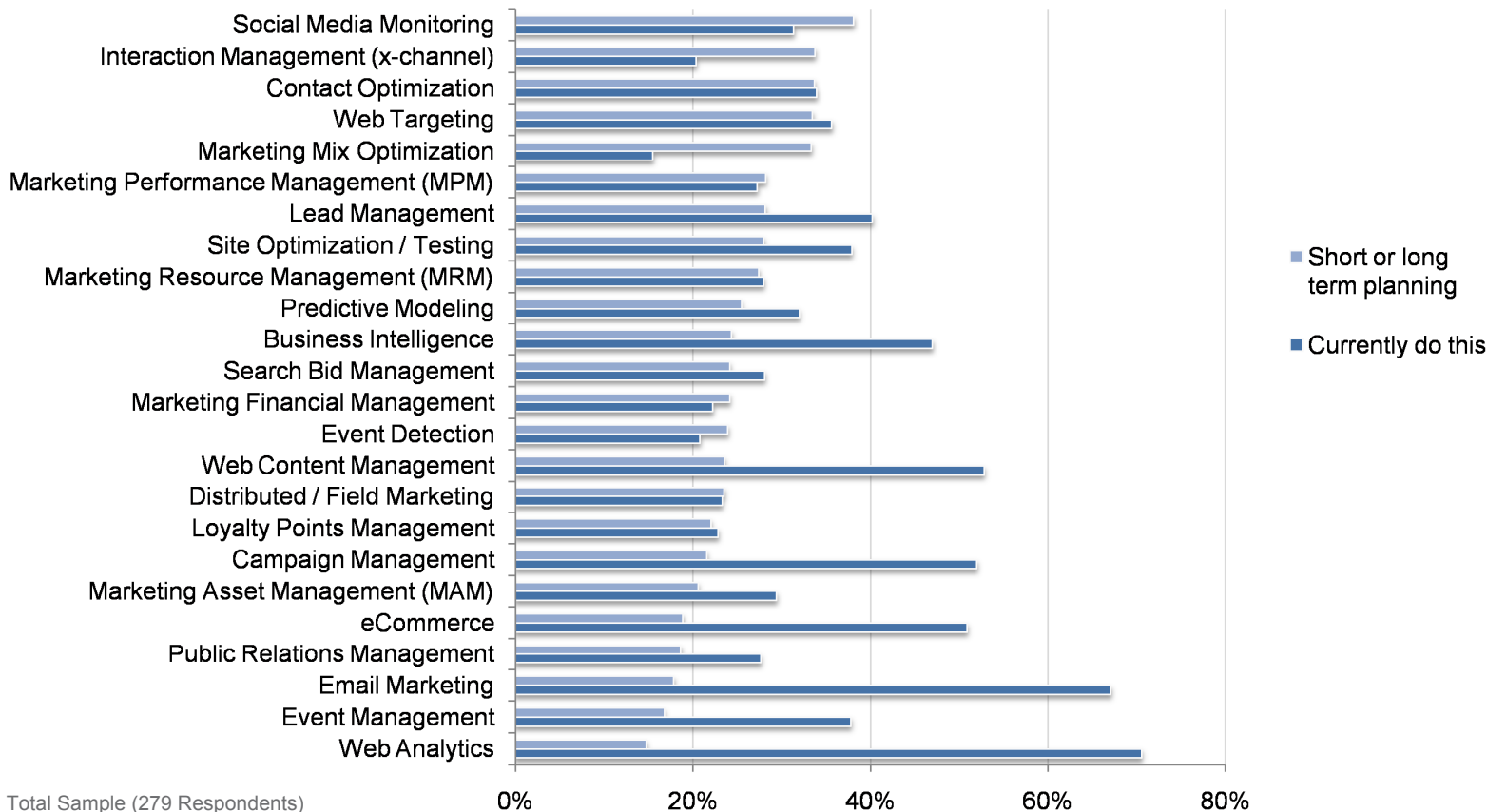
Not surprisingly, topping marketers' list for adoption over the next year is social media monitoring tools at 26%. This is both a reflection of the mindshare that social media continues to hold and a sign that marketers are looking for ways to measure and prove the value of this emerging channel. A series of technologies to help marketers optimize interactions with customers follows, including cross-channel interaction management, contact optimization, and web targeting. These technologies are the cornerstone of good interactive marketing.

Web analytics and email are the technologies mostly likely to have been already adopted, followed by web content management, campaign management, and eCommerce. For each of these technologies, more than 50% of marketers say they are already using them. Despite the widespread adoption of these technologies, sophistication of use varies considerably.

Later sections of the survey results provide additional details on marketers' attitudes toward and plans for many of these technologies.

Figure: Marketing Technology Adoption

Q. Which of the following marketing software categories does your company currently use or is planning to use?



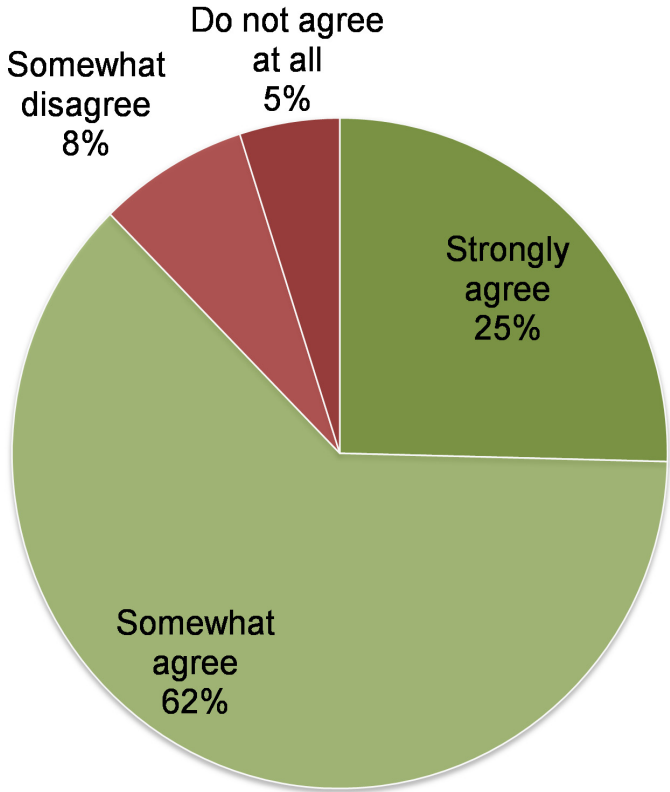
Base: Total Sample (279 Respondents)

Demand for a More Comprehensive and Integrated Application Suite Grows

As channel options grow rapidly, marketers feel a growing need for software that breaks down barriers and facilitates coordinated marketing efforts. Forrester has posed a question regarding integration in its Marketing Technology Adoption survey for several years – in 2006, only 77% of respondents agreed or strongly agreed with the need for a full-blown applications suite¹. Our subsequent surveys find that that this number has grown significantly to where 87% now believe a more integrated software suite would help improve marketing effectiveness. And the interest is global: there is no statistical difference between respondents in North America and Europe.

Figure: The Need for a Marketing Suite

Q. Indicate your level of agreement with the following statement: “Marketing software is too siloed and missing important tools. As a result, marketing needs a more comprehensive and integrated application suite of marketing software in order to improve its effectiveness”



Base: Total Sample (279 Respondents)

¹ Anderson, Elana. “Marketing Technology Adoption 2006,” Forrester Research, June 28, 2006

INTERACTIVE MARKETING SUCCESS

What Is Interactive Marketing?

Simply put, it's the meaningful alternative to imposing messages on customers that they no longer want to hear. Consider:

- **Marketing channels are evolving at a breakneck pace:** As traditional and "push" strategies decline in effectiveness, it is increasingly difficult to make an impact.
- **Virtually every marketing channel is more addressable:** Nearly all marketing channels, particularly emerging mobile and social channels, enable individualized communication – messages and content that are relevant to customer needs
- **Your customers are increasingly in control:** Customers can move rapidly between a variety of online and offline channels numerous times before making a buying decision, shifting the balance of power in their favor

To adapt to this changing landscape, you need to shift away from traditional marketing approaches and adopt "Interactive Marketing" that:

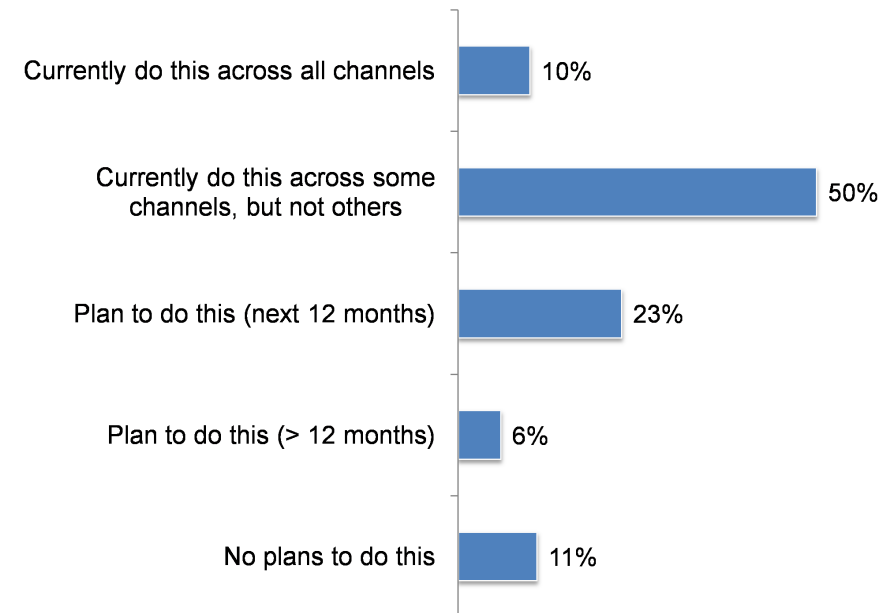
- Builds upon past behavior
- Adapts tactics based on current behavior, context, and each customer's reaction to each new message
- Consistently delivers the most compelling message to each customer, at the perfect moment, through the right channel – across inbound and outbound, online and offline, or traditional and emerging

More than Half Are on the Path to Interactive Marketing

Each of the trends in this survey isn't taking place in isolation. Interactive Marketing bridges these trends to facilitate customer awareness, centralized decisioning, and execution across channels. Most marketers understand the need to create cross-channel dialogs and embrace Interactive Marketing. Yet, when asked about their current practices, a mere 10% say they have completed their Interactive Marketing journey. The good news? Half of marketers say they are currently integrating across some channels. Over the next year, savvy marketers will increase their adoption of Interactive Marketing and expand the number of channels they include in this orchestrated strategy.

Figure: Interactive Marketing Adoption

Q. "Interactive Marketing" engages each customer and prospect in a cross-channel dialogue that builds upon their past and current behavior, across inbound and outbound, and online and offline channels. What is your company doing or planning to do with "Interactive Marketing"?



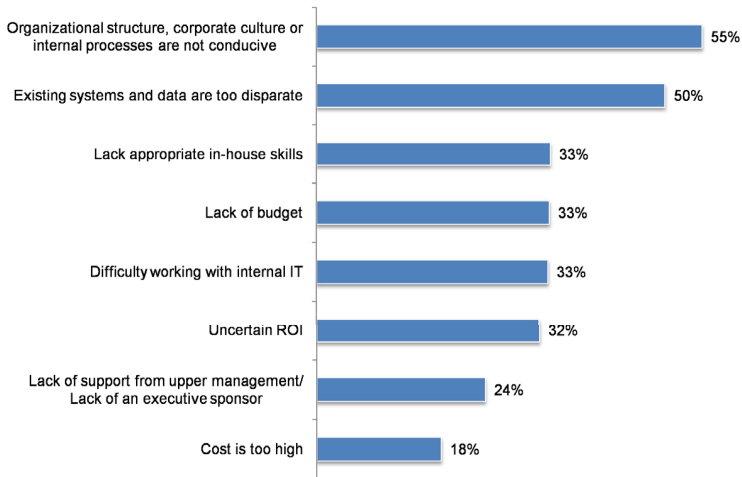
Base: Respondents who know what their company is doing in "interactive marketing" (263 Respondents)

Marketers Are Confident Interactive Marketing Can Deliver ROI

When asked about what was slowing Interactive Marketing progress, more than half of respondents identified organizational structures. Marketers also felt that their existing systems and data were too disparate. Not at the top of their list – lack of budget, uncertain ROI or high cost.

Figure: Ranking of Top 3 Barriers to Adopting Interactive Marketing

Q. Of the barriers to achieving "interactive marketing" listed below, rank the three biggest barriers that your marketing organization experiences, with "1" being the biggest barrier; "2" being the second biggest barrier; and "3" being the third biggest barrier.



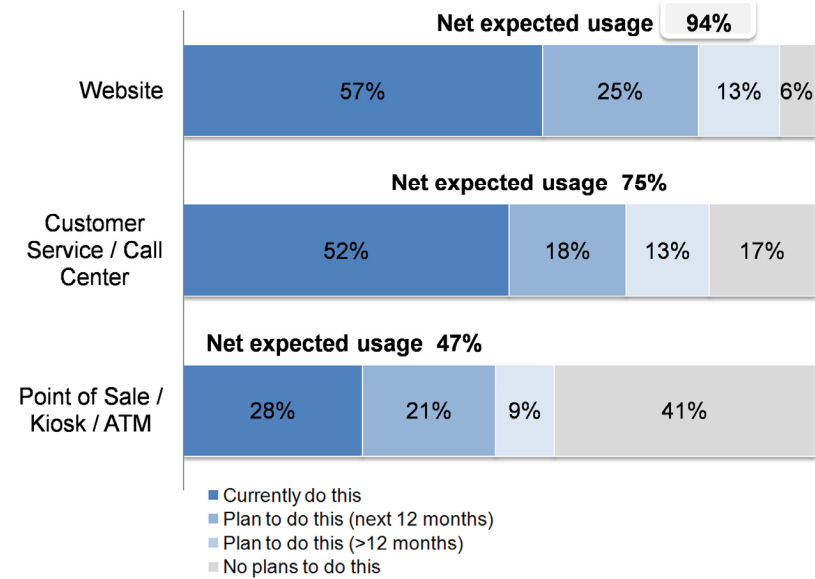
Base: Respondents answering familiar with the concept of "interactive marketing" and interactive marketing is appropriate for their business (223 Respondents)

Healthy Adoption of Marketing during Customer-Initiated Interactions

No one needs to sell marketers on the significance of inbound marketing. When asked about personalizing messages in customer-initiated interactions, most marketers are currently engaged in the effort, especially when it comes to the website and customer service/call centers.

Figure: Inbound Marketing Adoption by Channel

Q. Is your company delivering or planning to deliver targeted/personalized messages in customer-initiated interactions (e.g., website, physical store/branches, call center)?



Base: Respondents who know what their company is doing in the respective channel (225-272 Respondents)

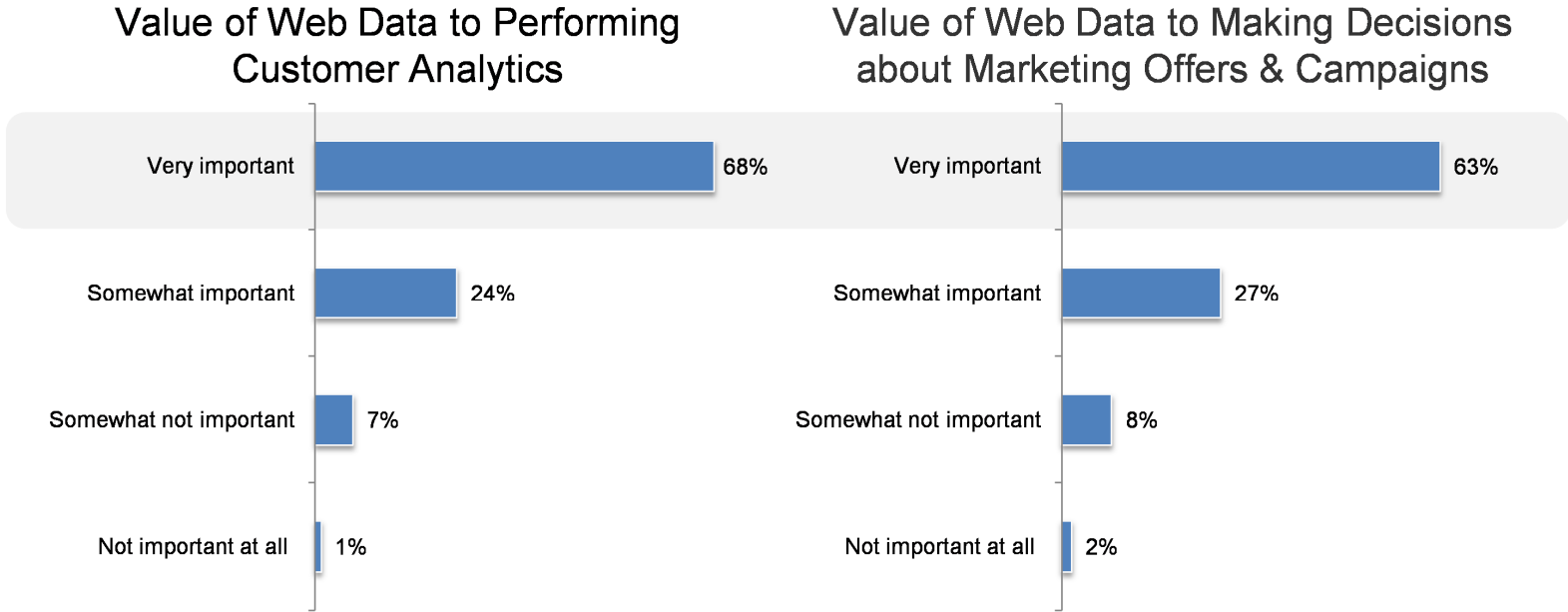
VALUE, USE, AND EFFECTIVENESS OF WEB DATA

Marketers Appreciate the Value of Web Data

The first in a series of three web data questions reveals an unmistakable portrait of admiration: by overwhelming margins, marketers believe individual online data regarding visitors and their behavior is important when performing customer analytics and when making decisions about marketing offers and campaigns.

Figure: Value of using Web Data in Customer Analytics and Decisioning

Q. How valuable do you think it is to use data about individual online visitors and their behavior on your website (such as what pages they visited, what links they clicked on, how long they stayed on your site) when (a) performing customer analytics (b) making decisions about marketing offers and campaigns



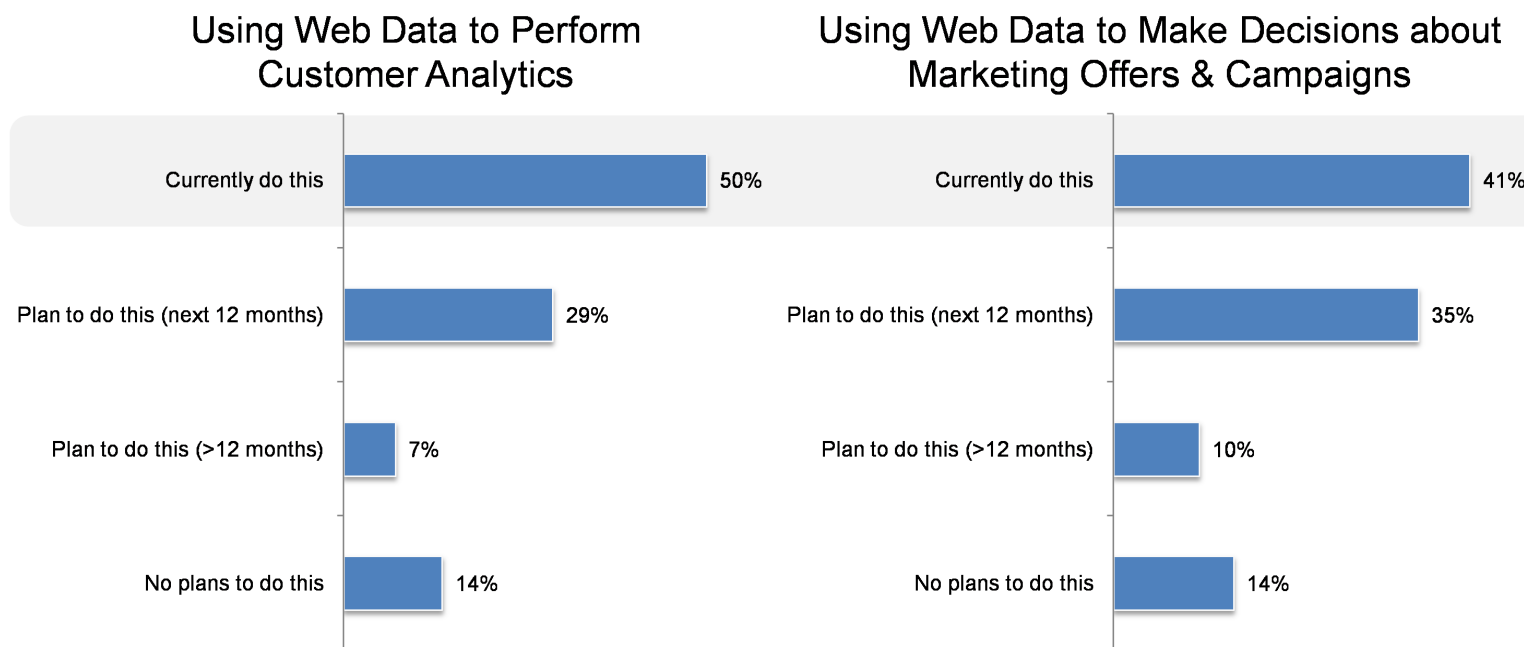
Base: Total Sample (279 Respondents)

...But Struggle to Put Web Data to Use

Marketers may talk the talk, but they struggle to walk the walk. Despite appreciation for the value of web data, half or less of respondents say they currently use data regarding individual online visitors/behavior to perform analytics or make decisions regarding offers and campaigns. About one-third plan on doing both in the next twelve months. Surprisingly, 14% have no plans to use this data at all.

Figure: Use of Web Data in Customer Analytics and Decisioning

Q. Is your company currently using or planning to use data about individual online visitors and their behavior on your website (such as what pages they visited, what links they clicked on, how long they stayed on your site) when (a) performing customer analytics (b) making decisions about marketing offers and campaigns



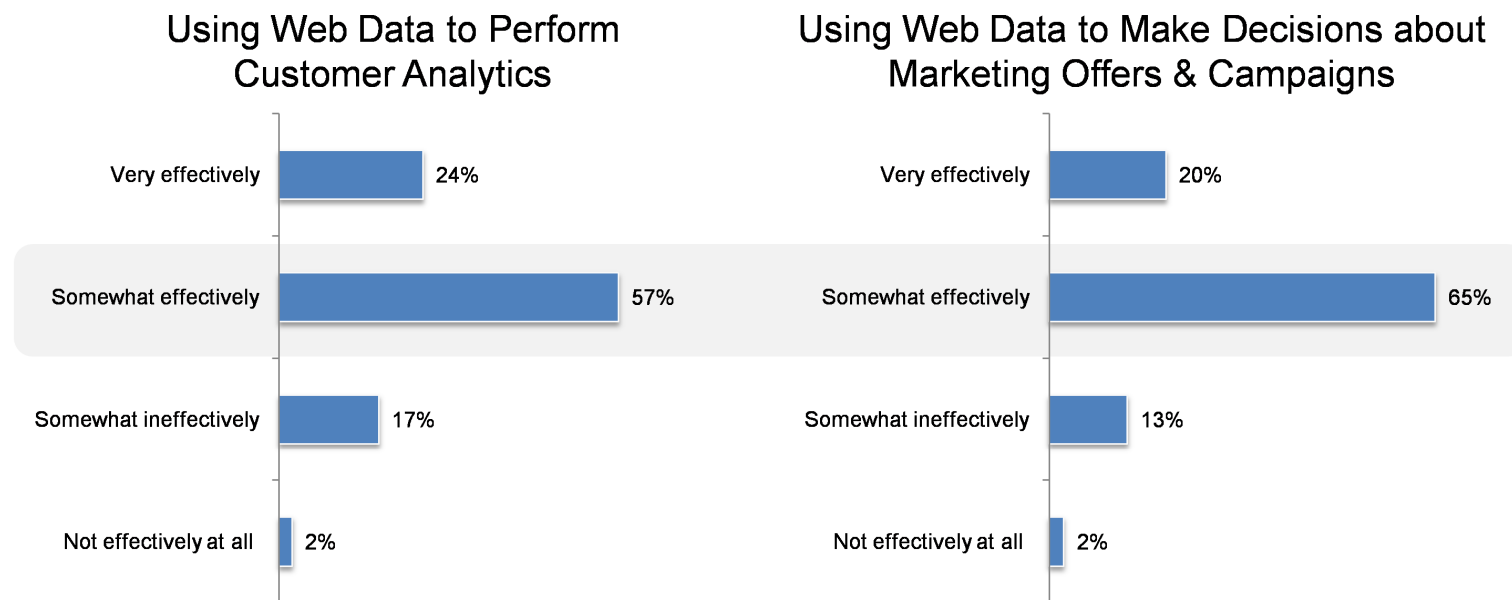
Base: Respondents who know what their company is doing for (a) analytics, 263 respondents, and (b) making decisions about marketing offers and campaigns, 259 respondents

Even Those Who Leverage Web Data Are Not Confident about its Effective Use

When it comes to analytics and campaigns, most marketers – by significant margins – said they were only “somewhat effectively” leveraging online visitor data. Less than a quarter (24% for analytics, 20% for campaigning) believed they were using it “very effectively,” and a slightly smaller group reported that their attempts to use web data were either marginally effective or not effective at all.”

Figure: Effectiveness of Web Data in Customer Analytics and Decisioning

Q. How effectively is your company leveraging data about your online visitors and their behavior on your website (such as what pages they visited, what links they clicked on, how long they stayed on your site) when (a) performing customer analytics (b) making decisions about marketing offers and campaigns?



Base: Respondents whose company are using web data for (a) analytics, 132 respondents, and (b) making decisions about marketing offers and campaigns, 106 respondents

Leveraging the Value of Web Data: How to Get Started

Putting web data to work may seem overwhelming, but getting started can be easy. Begin by tackling the following four key steps:

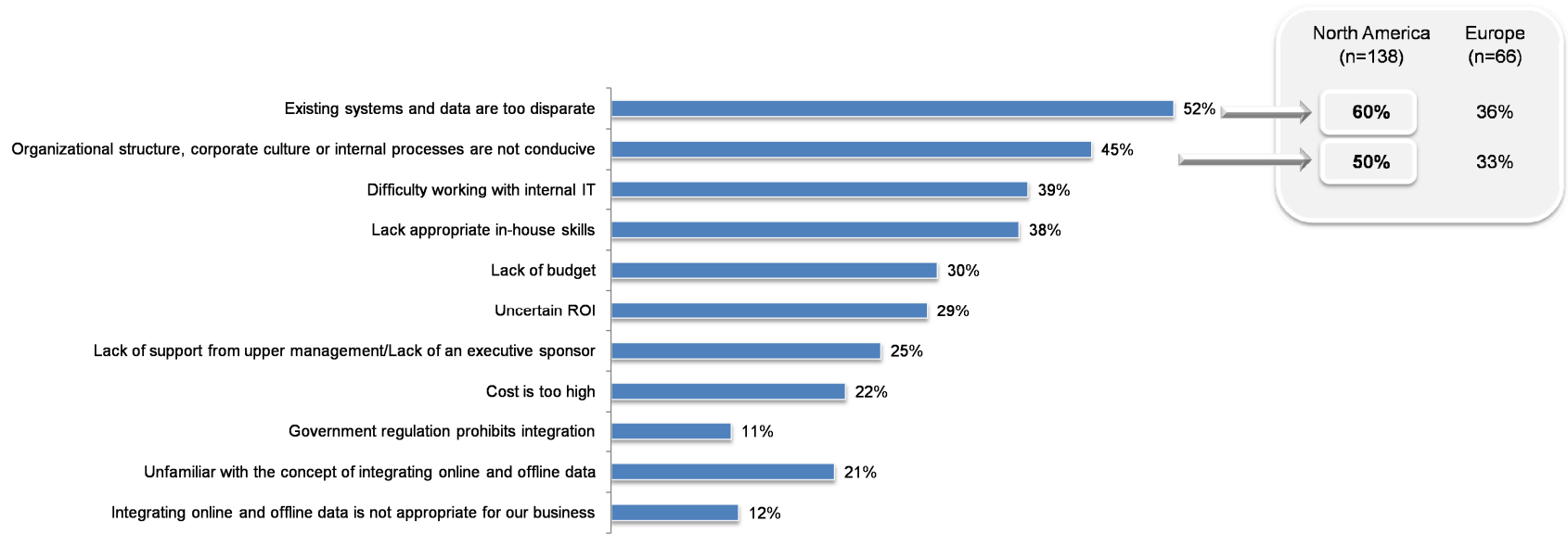
1. **Watch and learn:** See what your customers actually *do* while they're on your site to discover what they want *right now*. Use this information to build individual profiles of website visitors.
2. **Integrate your sources:** You have one marketing goal, but your data sources are as fragmented as your tactics. Bring key metrics from the website and other customer information together for more comprehensive customer profiles.
3. **Determine the optimal action:** What's next for each customer? Use these new profiles to better match marketing messages to customers. For example, remarket to customers that abandon shopping carts or registrations.
4. **Centralize decisioning:** Instead of isolated command areas (like website, mail, call center, etc.), bring *all* your tactics under one centralized decision-making authority that follows customers across channels.

What's Inhibiting Progress for Web Data? Disparate Systems and Data

Marketers are bullish about web data, yet recognize shortcomings in their ability to realize its full value. What's preventing progress? Just like last year, respondents report that integration is their key challenge. While 60% of North American marketers identified integration as their key challenge, only 36% of Europeans agreed. Across the board, high costs, ROI and lack of budget all fell 15-20 percentage points in importance year over year, so money definitely is no longer the gating issue. Plagued by legacy systems and disparate data sources, marketers continue to struggle with integration (perhaps yet another reason why they look to technology advances to ease their pain.)

Figure: Ranking of Top 3 Barriers to Integrating Online Data and Offline Data

Q. Of the potential barriers listed below when integrating online data (such as what pages visited, what links clicked on, length of time on your site) and offline data (such as demographic or purchase/transaction data), please identify and rank the top 3 barriers to your marketing organization.



Base: Respondents who are familiar with the concept of integrating online and offline data, who say integrating online and offline data is appropriate for their business, and who had a response (204 Respondents)

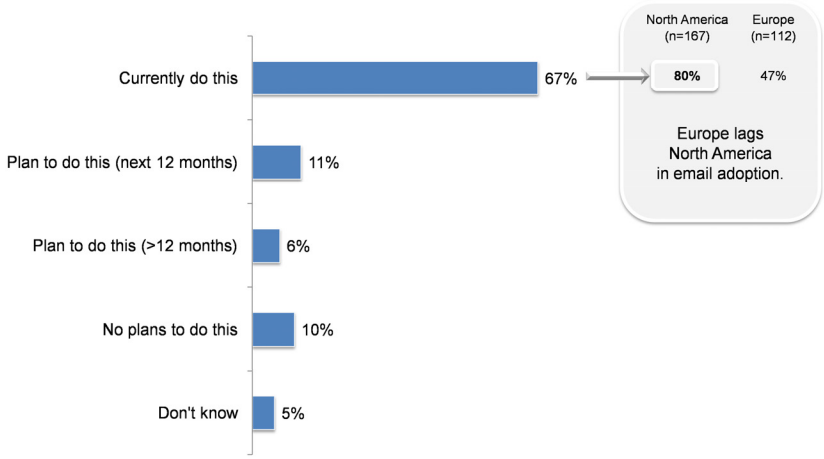
ONLINE MARKETING ATTITUDES, ADOPTION, AND OBSERVATIONS

Email Adoption Is Healthy...

Our question about marketing technology usage revealed that email is one of the most widely adopted technologies. Further analysis shows that adoption in Europe lags significantly behind North America, but email still remains a top choice for online marketing.

Figure: Email Adoption

Q. Which of the following marketing software categories does your company currently use or is planning to use? (Email)



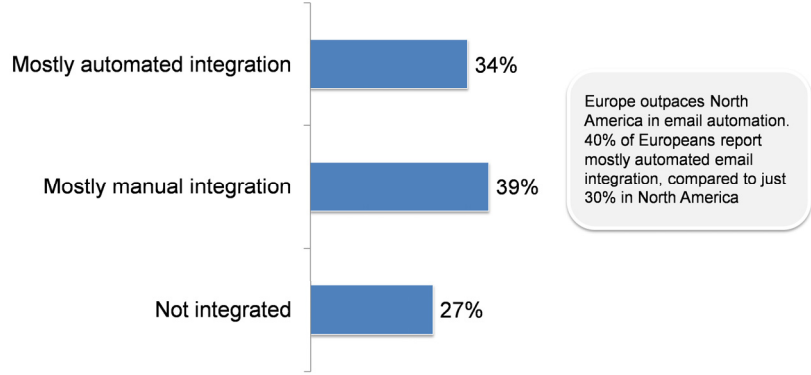
Base: Total Sample (279 Respondents)

...But Email Is Not Well Integrated with Data Sources that Could Improve Targeting and Relevance

While everybody uses email, batch and blast is still the most prevalent approach. But highly targeted and relevant email requires integration of email subscriber lists with other data sources. Unfortunately, nearly two-thirds of respondents indicated that their email data is either not integrated with other customer data or is manually integrated. Notably, Europe outpaces North America in email automation.

Figure: Email Integration

Q. For your company's email marketing, how integrated is your email data with your other customer data?



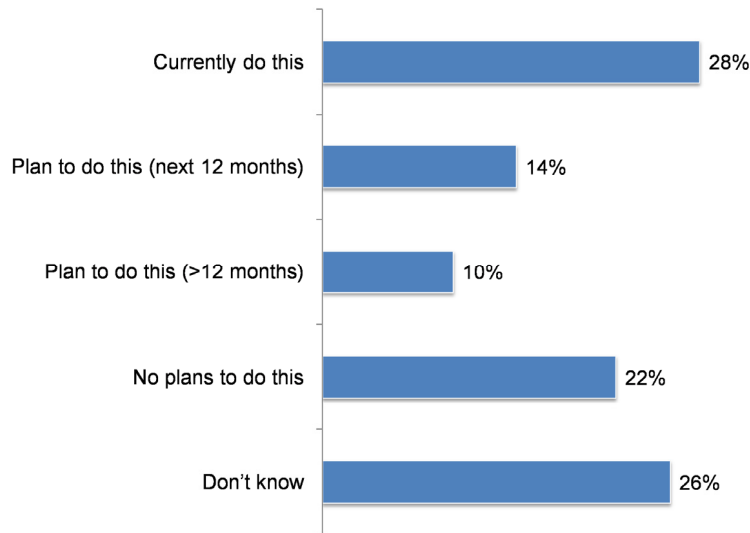
Base: Respondents who know how their email data is integrated with other customer data (264 Respondents)

Adoption of Search Bid Management Software Lags Behind Investment in Paid Search

Online marketers spend more on paid search than any other type of online media. Yet most firms rely on external agencies or tools provided by the search engines to manage their keyword spend. As a result, marketers have very little visibility into how their investments are paying off, and they have no way to determine which terms generate more impact than mere site referrals. Integrating search bid management with web analytics and marketing execution tools helps marketers understand which search terms generate desired actions, conversions, value and even the most desirable customers.

Figure: Adoption of Search Bid Management Software

Q. Which of the following marketing software categories does your company currently use or is planning to use? (Search Bid Management)



Base: Total Sample (279 Respondents)

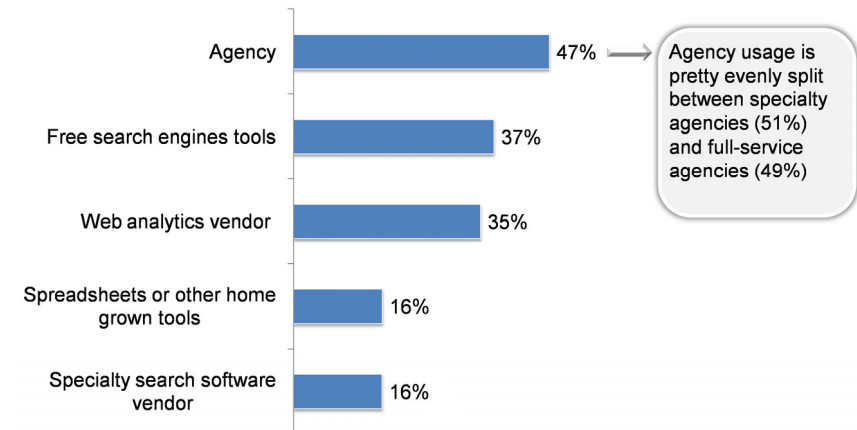
Outsourcing and Free Tools Trump More Integrated Approaches to Paid Search

Marketers have grasped the importance of paid search as a marketing tactic, and are investing heavily in it. Paying an agency to do the hard work often seems like a good choice with limited in-house skills and rapidly evolving best practices, and free tools might seem “good enough.” However, this is just one more example of marketers’ struggle to fully understand the importance of integrating the right data. By relying on services and free tools, marketers pay the price in significant lost opportunities, for example:

- Closing the loop to understand SEM value:** Free tools have limited analytical power, lack customer level granularity, and have no integration into other marketing and transactional systems. These tools fail to capture the true impact, in conversions and customer value, of various search terms. Therefore it is impossible to close the loop and understand the value of the customers that these efforts deliver.
- Integration into cross-channel marketing campaigns:** All the free services are stand-alone tools that operate outside of your marketing systems. Lessons learned from keyword data (revealing consumer behavior and intentions) remain isolated from your other marketing channels.

Figure: Managing Bidding for Search Engine Keywords

Q. How does your company manage bidding for search engine keywords (select all that apply)?



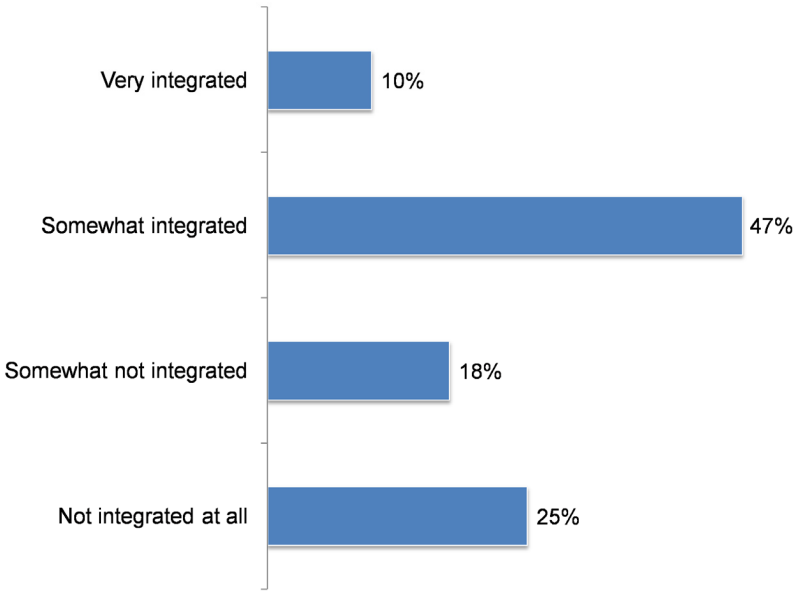
Base: Respondents who know how their company is managing their search bids (167 Respondents)

Search's Integration with the Rest of Marketing only Partially Complete

Respondents exposed a lack luster record of search engine marketing integration with other marketing campaigns and programs. Less than half said it was "somewhat integrated" and almost as many indicated that it wasn't integrated. Only 10% claimed "very integrated" for their company's efforts.

Figure: Search Engine Integration with other Marketing Programs

Q14. How integrated is your company's search engine marketing with other marketing campaigns and programs (select one response)?



Base: Respondents who know how their search is integrated with marketing (235 Respondents)

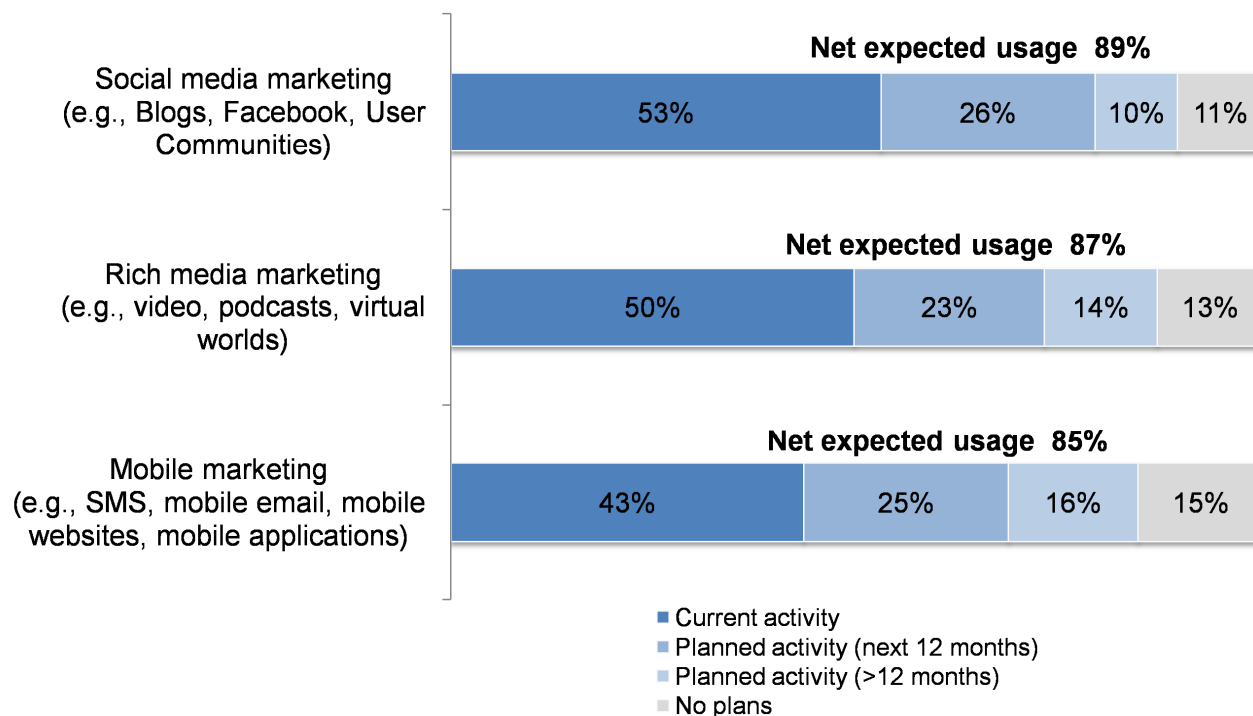
EMERGING MARKETING CHANNELS

Marketers Continue to Adopt Emerging Channels with Enthusiasm

Across the board, adoption of emerging channels increased over last year. Why the interest? Frankly, marketers are under intense pressure to accomplish more with less. Online channels, with low cost barriers, are an attractive way to complement traditional marketing efforts. More importantly, when the emerging channels are backed with systems for capturing, managing and distributing crucial data regarding customer/prospect behavior, they become golden opportunities for personalizing marketing campaigns and reaching individual customers with more timely, more relevant messages.

Figure: Emerging Marketing Channels

Q. Which of the following marketing tactics is your company currently using or planning to use?



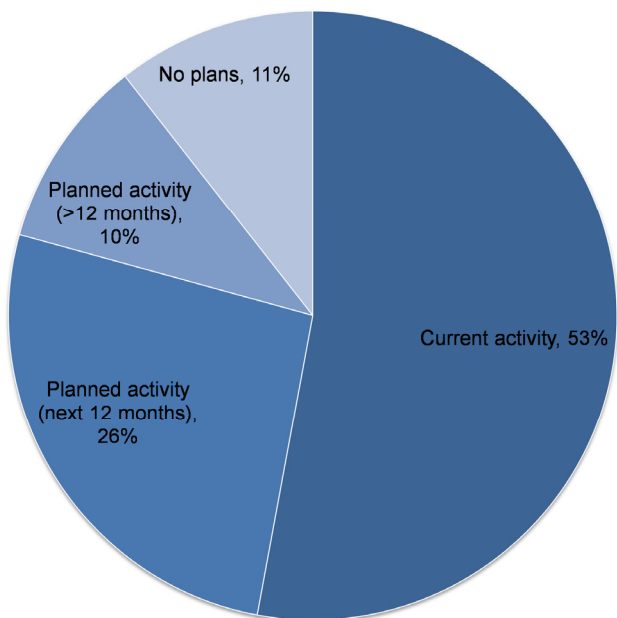
Base: Respondents who know what the respective channel is and what their company is doing in it (248-256 Respondents)

Social Media Will Experience Growing Pains

This year, social media is no longer the adorable baby everyone wants to hold, but the angst-filled adolescent – still immature yet no longer cute – who inspires mixed feelings. All things social continue to hold intense interest, with 53% of marketers currently applying it to their marketing efforts. But as tactics rise and fall, a more sophisticated approach is emerging. Instead of thinking tactic by tactic, marketers are beginning to think strategically across three major areas of social content: owned (what they create), earned (what customers create), and paid (what marketers spend money for).

Figure: Social Media Marketing Adoption

Q. Which of the following marketing tactics is your company currently using or planning to use? (Social)



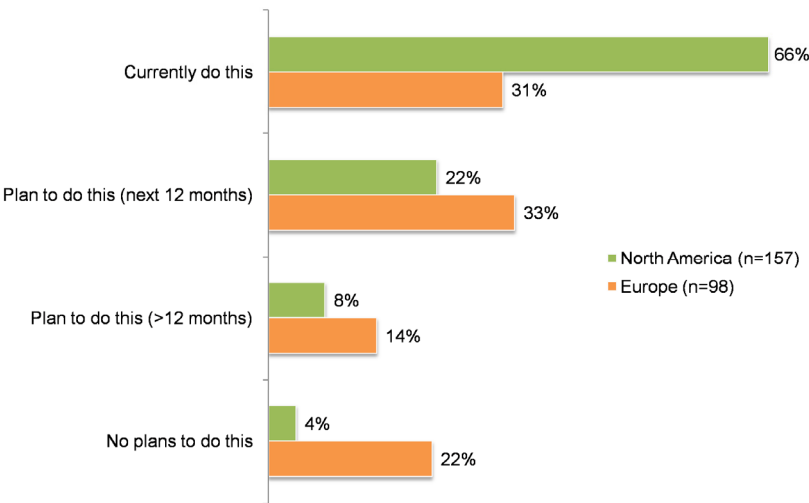
Base: Respondents who know what social media marketing is and what their company is doing for it (254 Respondents)

North American Marketers More Willing to Embrace Social Media

North America marketers' use of social media channels outpaces European usage by over 30 percentage points. In fact, European skepticism seems to run deep: nearly one in four European respondents says they have no plans for social media whatsoever.

Figure: Social Media Adoption by Geography

Q. Which of the following marketing tactics is your company currently using or planning to use? (Social)



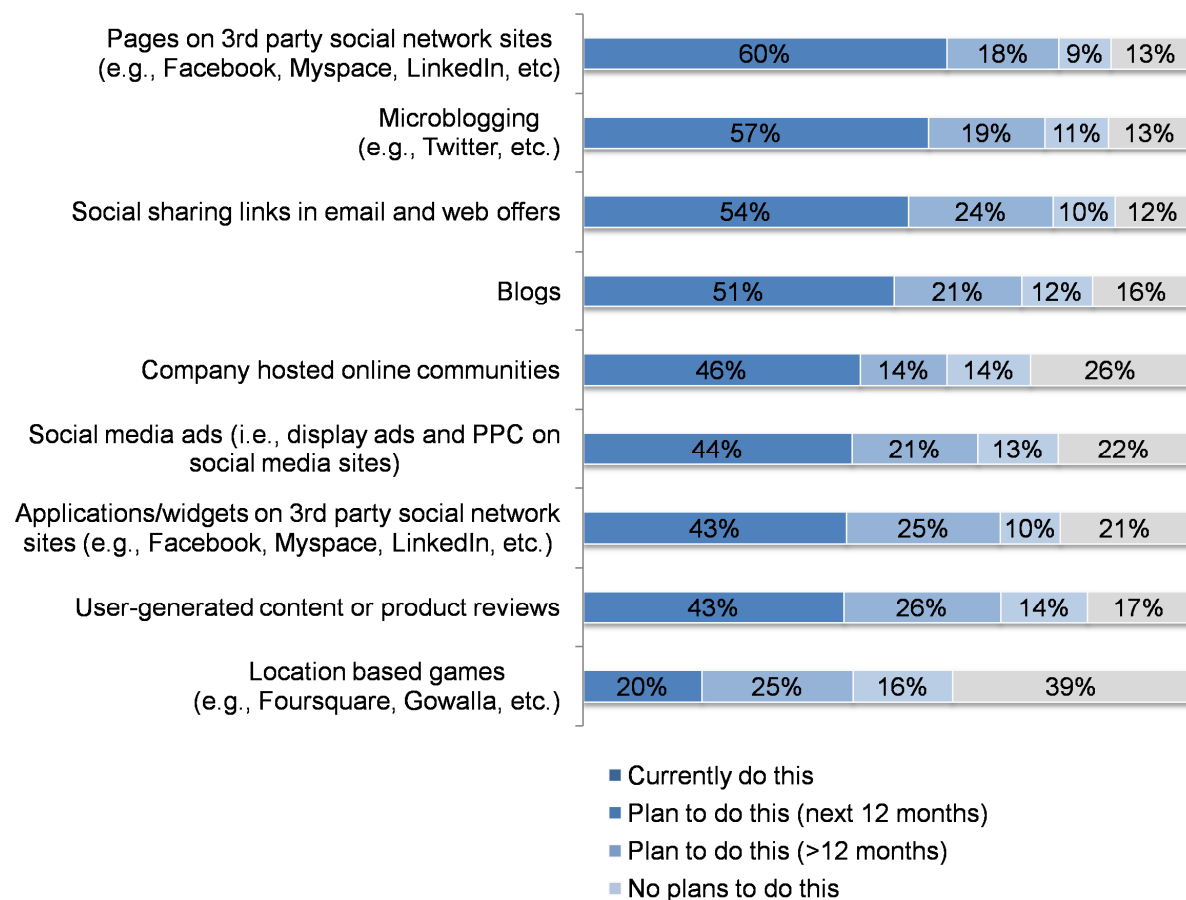
Base: Respondents who know what social media tactics are and what their company is doing in it (254 Respondents)

3rd Party Social Network Sites Are the Most Popular Social Tactic

With big brand names such as Facebook and LinkedIn, it's no accident that 3rd party social networking sites rank highest on the list of social media marketing options at 60%; microblogging, social sharing links, and blogs are all also popular. On the far leading edge, location-based services, currently only used by 20% of marketers, represent the convergence of social and mobile marketing. Look for this area to heat up in the coming months. While adoption is low today, as marketers grasp the profound opportunities to add location to campaign decisioning to offer location-aware offers, they will further improve the ability to deliver more relevant, revenue-enhancing marketing messages.

Figure: Use of Social Media Marketing Tactics

Q. Which of the following social media marketing tactics is your company using or planning to use?



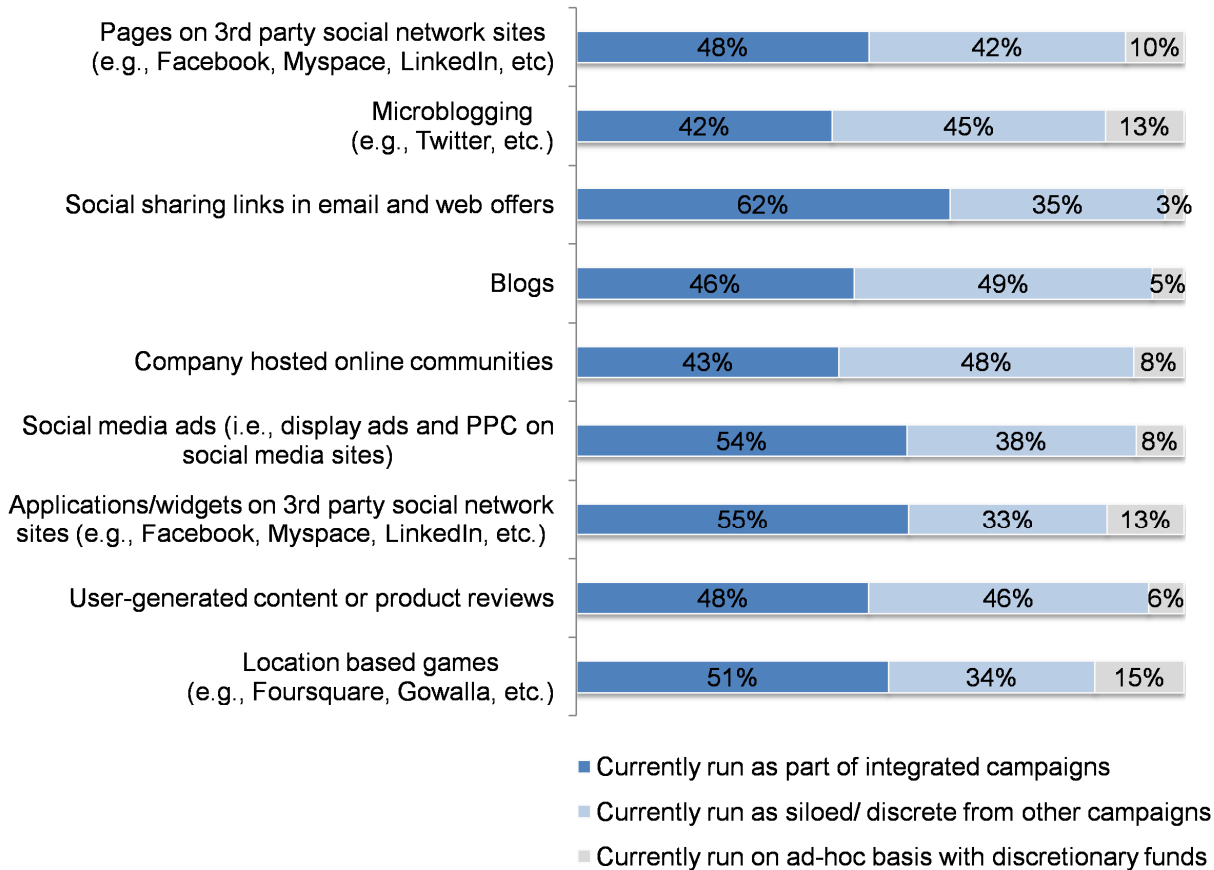
Base: Respondents who know what each social media marketing tactic is and what their company is doing in it (166-211 Respondents)

Like Many Online Channels, Social Tactics Are Siloed

The survey exposed similar integration challenges with email marketing and paid search. But in the case of social media, program integration varied considerably across tactical options. At 56%, “social sharing links in email and web offers” shows real traction with integration, while company-hosted communities and Twitter are the most widely orphaned social tactics.

Figure: Integration of Social Media Marketing Tactics

Q. How integrated are the tactics below with other company marketing campaigns and programs?



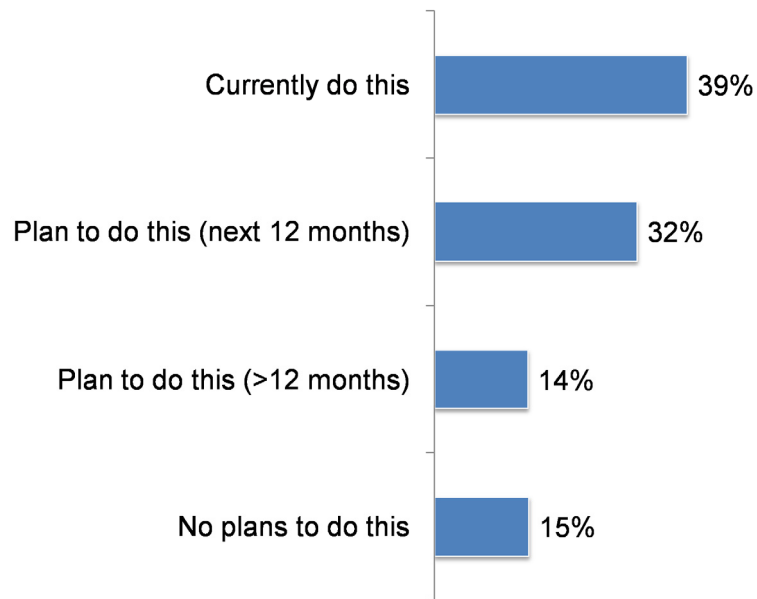
Base: Respondents who know what each social media marketing tactic is and how it is integrated (29-112 Respondents)

Few Companies Measure Success of “Owned Media”

Given the popularity of 3rd party social networking sites, tracking the reach of company-created or “owned” media should be a priority. Nearly 40% of respondents say they use web analytics tools to measure owned media success on 3rd party sites. Another third report plans to do so in the coming year, while the remainder either have no plans, or distant plans.

Using Web Analytics for Owned Media

Q. “Owned media” is content your company creates and publishes online to your websites, microsities, blogs, Facebook page, etc. Is your company using a web analytics tool to measure “owned media” that is posted on 3rd party sites like Facebook?



Base: Respondents who know what this software is and what their company is doing with regard to it (147 Respondents)

The Three Types of Media Marketers Must Manage

Survey participants were explicitly asked about “owned” content, but to secure a complete picture of a company’s media landscape, you may want to pull back and assess your strengths among all three kinds of content:

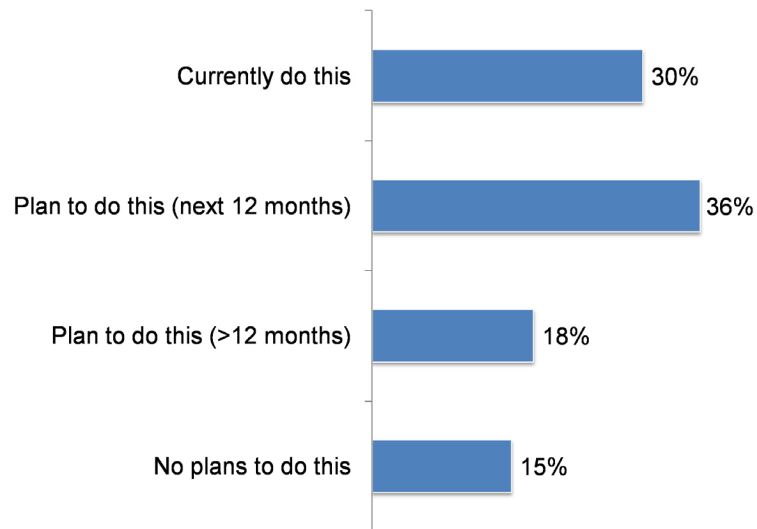
1. **Owned:** Media, content, and channels that the company directly delivers, has control over, or owns. For example:
 - **Traditional** – direct mail, call center, branch/store, ATM/kiosk/POS
 - **Digital** – email, website, microsities, blog, Facebook
2. **Earned:** Media, content, and channels that are delivered through a 3rd party without exchange of payment. While your control factor is low, credibility is high. Examples include:
 - **Traditional** – public relations generated news, analyst coverage
 - **Digital** – Twitter, blogs, product reviews
3. **Paid:** The most familiar terrain for most marketers; this is media, content, and channels that are delivered through a 3rd party or intermediary in exchange for payment. For example:
 - **Traditional** – TV, radio, print, out-of-home
 - **Digital** – display ads, PPC, sponsored content

Most Marketers Say They Are Using or Plan to Use Social Segmentation

According to the survey, close to 70% of participants either use or soon plan to use social media data in their segmentation. Only 15% have no plans to include social attributes in their segmentation.

Social Segmentation

Q. Is your company using social media data in your customer and prospect segmentation strategy to identify influencers or create social segmentation?



Base: Respondents who know what this is and what their company is doing with regard to it (159 Respondents)

The Value of Including Social Dimensions in Segmentation

Are all customers alike? No, yet too many social media strategies treat their audiences as one, undifferentiated mass. Marketers should collect social media data and attributes in their customer profiles and use this information to enrich segmentation strategies. Social data compliments traditional demographic and transactional data and the web behavioral data with insights into likes/dislikes, interests, and brand disposition.

While social segmentation may seem complex, most marketers can begin with a simple framework:

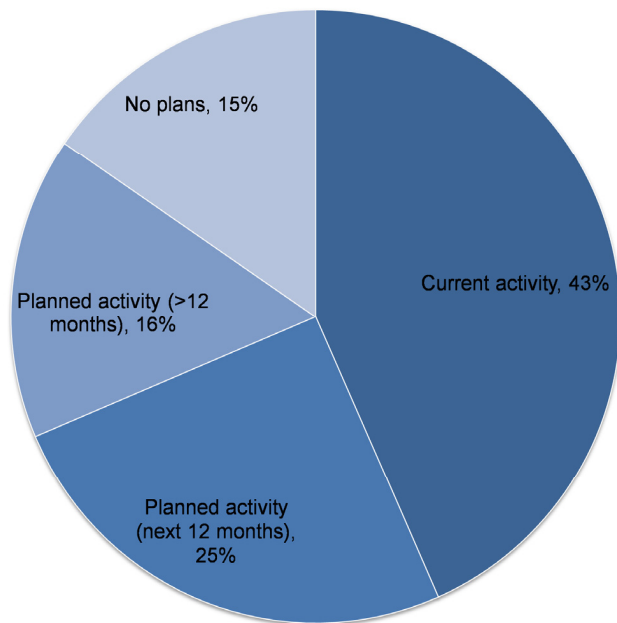
1. **Basic Level: Who is Active Where?** For starters, you can determine which of your customers use what social media channels (blogs, Twitter, Facebook) and direct your content accordingly.
2. **Intermediate: Recency, Frequency and Reach.** Kick it up a notch by targeting audiences with favorable indicators such as:
 - Recency: Who posted, tweeted, or updated most recently?
 - Frequency: Who contributes most often?
 - Reach: Who has the broadest network of friends/followers?
3. **Advanced: Influence.** Create content specifically for the most influential segment of your social network – those who may actively distribute your material within *their* networks.

Mobile Marches toward Greater Significance

Overall, mobile marketing is picking up speed. During the last year, the Google mobile platform has begun to mature, and as a result, has seen a huge uptake of Android among handset-makers. Google and handset manufacturers are mounting a serious threat to Apple's dominance of the smart phone market. Not sitting on the sidelines, Apple countered with red-hot sales of its iPad, kicking off a new front in this battle – the tablet market. Moreover, the deafening buzz surrounding near field communication (NFC)-based mobile payments is becoming hard to ignore. These factors, combined with rising consumer adoption of smart phones, are a boon for marketers. As a result, over 40% of marketers are already using mobile marketing tactics, with an additional quarter planning to use them this year.

Figure: Mobile Marketing Adoption

Q. Which of the following marketing tactics is your company currently using or planning to use? (Mobile)



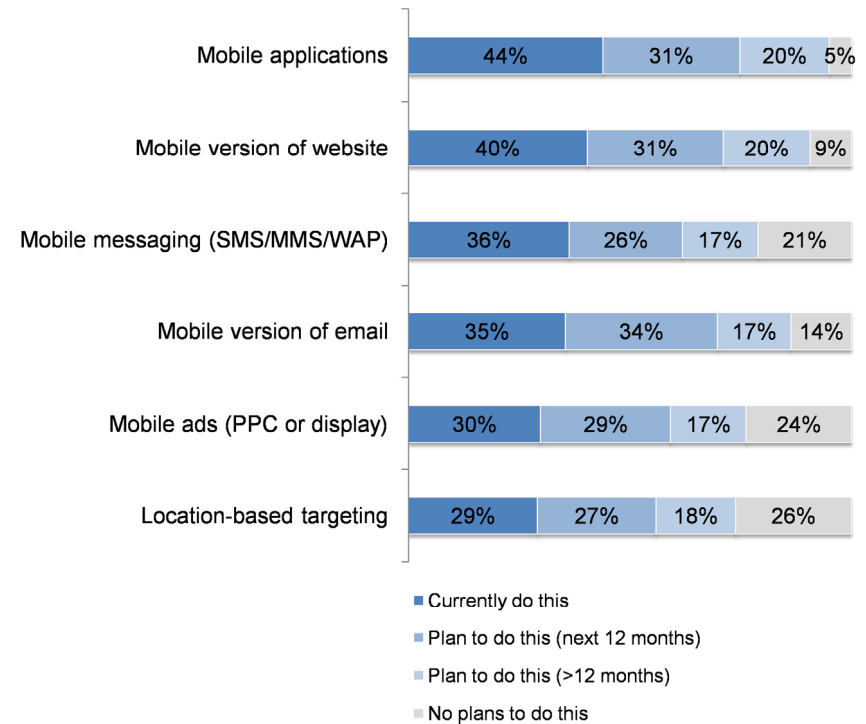
Base: Respondents who know what mobile marketing is and what their company is doing for it (256 Respondents)

Apps Most Popular Mobile Marketing Tactic, Europe More Bullish on Mobile Messaging

Among the tactical options for mobile marketing, applications lead in popularity with significantly more respondents indicating that they currently have or plan to deploy mobile apps. Mobile sites rank a close second. Perhaps reflecting the general head-start Europeans have in mobile device penetration, they report a 43% current use of mobile messaging.

Figure: Use of Mobile Marketing Tactics

Q. Which of the following mobile marketing tactics is your company using or planning to use?



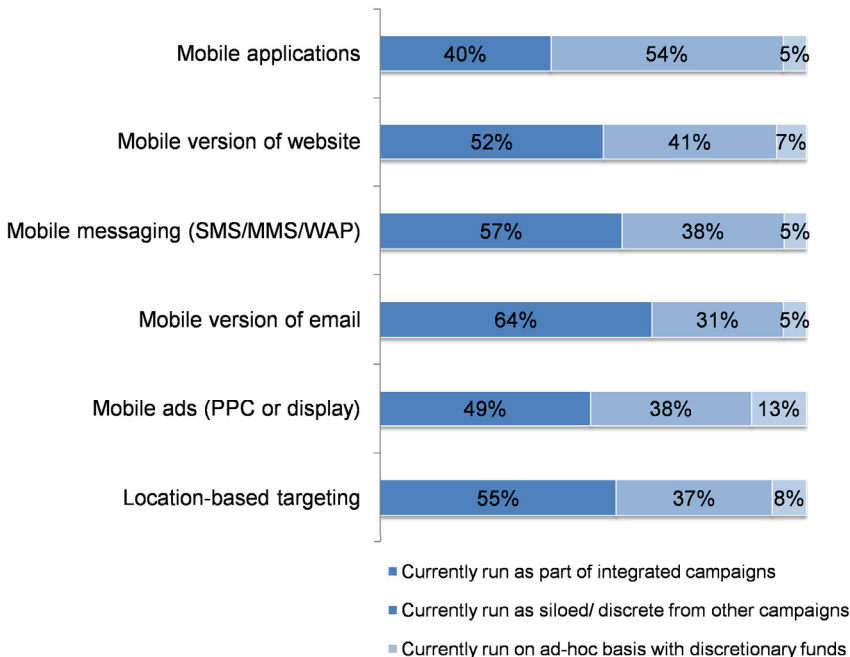
Base: Respondents who know what each mobile marketing tactic is and what their company is doing in it (173-201 Respondents)

Mobile Marketing Efforts Are Largely Siloed

Few marketers have reached the maturity stage at which mobile tactics are integrated with other marketing programs. Not surprisingly mobile email is the most integrated mobile tactic.

Figure: Integration of Mobile Marketing Tactics

Q. How integrated are the tactics below with other company marketing campaigns and programs?



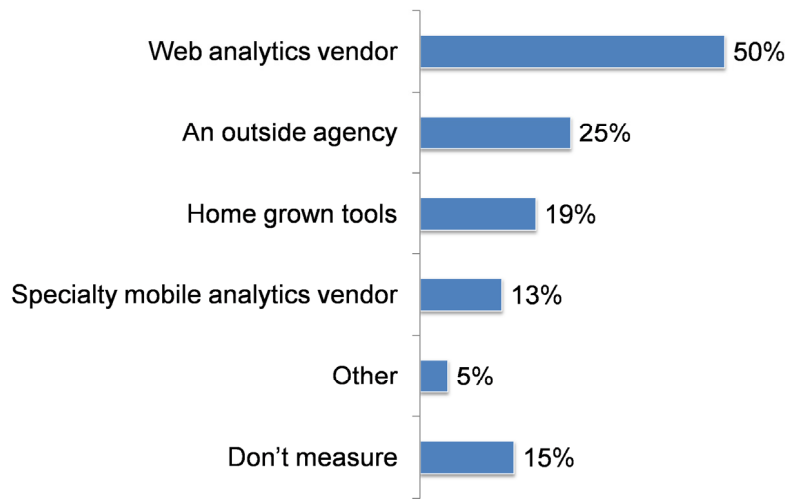
Base: Respondents who know what each mobile marketing tactic is and how it is integrated (46-83 Respondents)

Web Analytics Tools Lead Mobile Measurement

So how do marketers measure mobile application/mobile website success? Web analytics tools have clearly emerged as the de facto standard. Unfortunately, 15% say they don't measure their mobile marketing efforts.

Figure: Analytics for Mobile Websites and Mobile Applications

Q. What tools is your company using to measure its mobile websites or mobile applications?



Base: Respondents who know how their mobile website and mobile applications are being measured (173 Respondents)

RESPONDENT PROFILES

Respondents Include a Wide Range of Industries, Geographies, and Sizes

The online and direct marketers who responded to the survey represent a wide range of industries. There are slightly more respondents from North America (60%) than from Europe (40%); slightly more than half are from large companies that are above \$1B in revenue.

Figures: Respondents by Industries, Geography, and Revenue

Figure: Respondents by Revenue

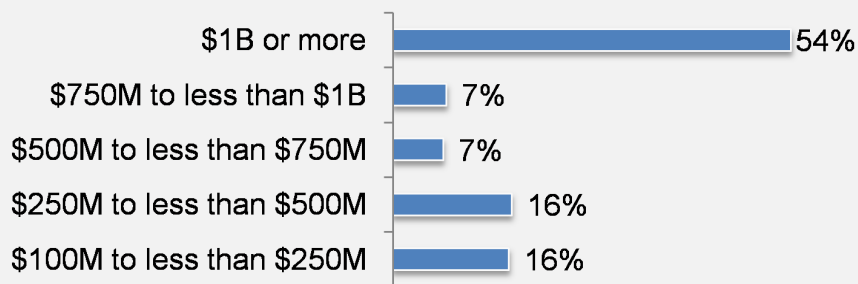


Figure: Respondents by Industry

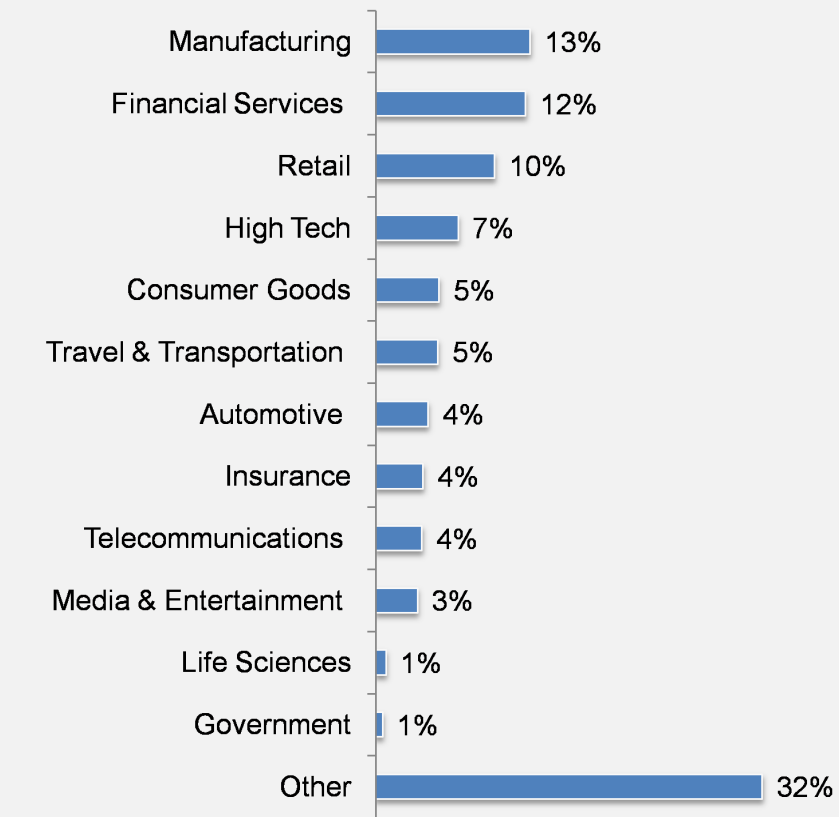


Figure: Respondents by Geography

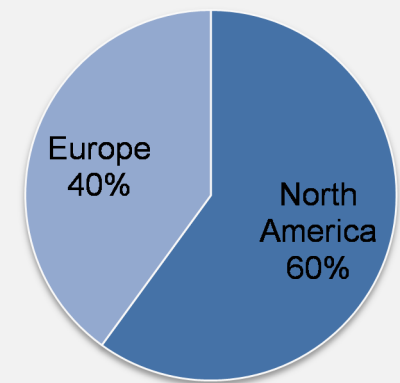
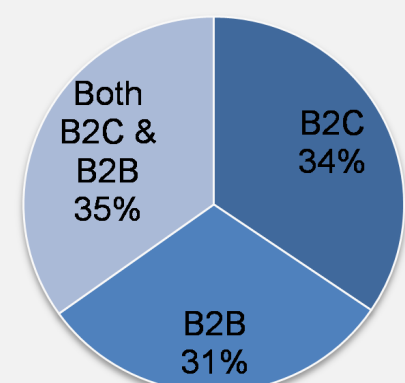


Figure: Respondents by Business Type

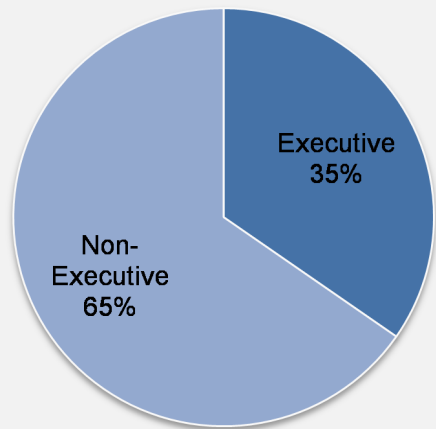


Base: Total Sample (279 Respondents)

Over One Third Are Marketing Executives, All Are Involved in the Purchase Process

Figure : Respondents by Role

Figure: Respondents' Role in the Organization



Respondents Are Responsible for a Broad Set of Marketing Functions that Span Online & Offline Marketing

Figure: Respondents by Responsibilities

Figure: Respondents' Responsibility by Marketing Function



Figure: Respondents' Role in the Purchase of Technology

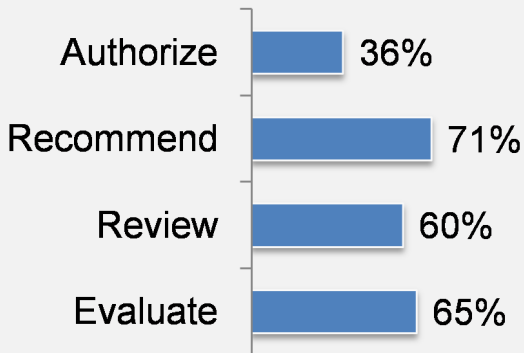
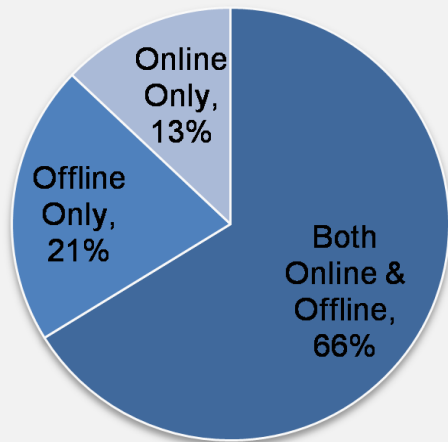


Figure: Respondents' Responsibility by Marketing Function



Base: Total Sample (279 Respondents)

CONCLUDING THOUGHTS

Will More Channels Lead to More Confusion – or to Greater Clarity?

The good news: The proliferation of electronic channels, from the now-familiar email to the new terrains of social and mobile media, has opened up many more possibilities for meaningful communications with our customers.

The bad news: With rapid channel proliferation comes mass confusion. In an environment already suffering from information overload, each new channel, tactic, and tool generates a flood of data that demands attention.

With data streaming from every direction, it's no surprise that survey respondents named “turning data into action” as the number one issue marketers need to address.

What's a marketer to do?

First, take a step back to see the whole marketing picture, not just the latest hot tactic creating buzz. That's why Unica is the proud sponsor of the annual *State of Marketing* survey, a reflection of our hunger for genuine insight into the real-world experiences of today's marketers.

But more importantly, we believe in an integrated, interactive approach to marketing that assembles all customer communications – in both directions – into one centralized command system continually informed with real-time data and intelligence. We call it Enterprise Marketing Management. Others might simply call it good, common sense in an age when customers are calling the shots – and every marketer must be prepared to engage them on their terms.

In the year ahead, we invite you to learn more about how intelligence, integration, and interactivity can drive the results you're working for. Take the next step by visiting the Interactive Marketing Resource Center at <http://www.theinteractivemarketingjourney.com>.

SURVEY METHODOLOGY

- 279 online and direct marketing professionals participated in Unica's Annual Marketing Survey.
- Online surveys were completed in Q4 2010 within 2 geographic regions among Unica customers and prospective customers.
- North America represents respondents from the U.S. & Canada. Europe represents respondents from 8 European countries that are large technology markets.
- The average survey response time was 15 minutes.
- All respondents were rigorously screened to ensure participation by the right respondents within the right companies according to the screening requirements below:
 - Responsible for marketing or IT dedicated to supporting marketing in at least one targeted marketing function: all marketing functions; direct or database marketing; online marketing (e.g., email, SEM, display advertising), customer analysis, web analytics, or marketing operations.
 - Involved in the purchase process for marketing software.
 - Work for companies with annual revenues of US \$100M+ to represent both mid-size and large company markets.
- Sample sources for the study include: large research panels that are representative of the target market audiences for the study and Unica-supplied sample of customers and prospects from their internal resources.
- 179 surveys were completed using the large random research panels and 100 surveys were completed from Unica-supplied sample sources of customers and prospects.
- Surveys were conducted in English, French, German, and Dutch.
- The responses were weighted to better reflect actual market distributions as follows:
 - 1st weighting the LT \$1B (46%) & GE \$1B (54%) company size segments at a region level to 2009 levels.
 - 2nd weighting the regional splits by the 60% NA / 40% EU shares.
- The incidence of the random research panel samples was 20%.
- To encourage study participation, Unica disclosed its sponsorship and offered respondents who completed a survey a copy of the survey results and a choice of receiving cash or making or a charitable donation in their name to either UNICEF - the United Nations Children's Fund or to the World Wide Fund for Nature / World Wildlife Fund.
- The margin of error for this sample at the 90% confidence level with a 50% response is +5%.

About Unica

Unica, an IBM Company, is a recognized leader in marketing software solutions. Unica's advanced set of [enterprise marketing management](#) and cloud-based marketing solutions empowers organizations and individuals to turn their passion for marketing into valuable customer relationships and more profitable, timely, and measurable business outcomes. These solutions integrate and streamline all aspects of online and offline marketing. Unica's unique [interactive marketing](#) approach incorporates [customer analytics](#) and [web analytics](#), centralized decisioning, cross-channel execution, and integrated marketing operations. More than 1,500 organizations worldwide depend on Unica for their marketing management solutions.

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